

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0103-01  
Bill No.: SB 4  
Subject: Motor Vehicles; Licenses-Motor Vehicles; Revenue Dept.  
Type: Original  
Date: January 15, 2003

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
General Revenue	(\$60,000)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$60,000)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
Highway Fund	(\$5705)	\$625	\$625
Anti-Terrorism Fund	\$2,083	\$2,500	\$2,500
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$3,622)</b>	<b>\$3,125</b>	<b>\$3,125</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Local Government</b>	<b>\$313</b>	<b>\$375</b>	<b>\$375</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials with the **Department of Transportation** and **Office of Administration** assume this legislation would have no fiscal impact on their organization.

Officials from **Department of Revenue (DOR)- Division of Motor Vehicle and Drivers Bureau (DVSB)** assume this proposal could have fiscal impact on their organization. The DVSB cannot determine the number of plates that will be issued as a result of this legislation. Therefore, the revenue impact is based on the issuance of 100 plates. If the volume of applications for this plate type substantially exceeds 100, the department could require additional appropriations. Income is generated from a \$15 plate fee and a \$25 contribution to the Anti-Terrorism fund.

#### FY 04 Income

Highway	\$938
Cities	\$188
Counties	\$125
Anti-terrorism fund	<u>\$2,083</u>
Total	\$3,334

FY 05 Income

Highway	\$1,125
Cities	\$225
Counties	\$150
Anti-Terrorism Fund	<u>\$2500</u>
Total	\$4,000

FY 06 Income

Highway	\$1,125
Cities	\$225
Counties	\$150
Anti-Terrorism Fund	<u>\$2500</u>
Total	\$4,000

DVSB notes that prior to last year specialty plates were developed, designed and provided to DOR by the Missouri Vocational Enterprises. The Missouri Vocational Enterprises recently contracted with a vendor to now provide all Missouri specialty plates. The costs will be shown for all specialty license plate bills accordingly.

This contract requires DOR to pay:

- \$250 new plate design set-up fee
- \$50 per modification for a new plate design
- \$80 per revision to existing plate designs
- \$4.50 per plate for freight shipping to DOR

Additional postage is required to mail the plates from DOR to the offices.

Officials with **DOR- Information and Technology Bureau (ITB)** assume that implementing this proposal could require 180 hours of overtime programming to modify the special plate reservation program, the renewal pull program for fees and the Uniform Field Office System. There are also additional cost for storage at the state data center.

FY 04 Cost

Procedures, Forms and Envelopes		\$652
Includes Plate design		
Postage	=	\$ 796
Plates and Tabs	=	\$ 474
Programming Salaries		\$4,221
Storage		<u>\$500</u>
Total		\$6,643

FY 05 Cost

Storage	\$500
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FY 06 Cost

Storage	\$500
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To implement this legislation, DOR could require additional funds. In the past, the programs included in this legislation have been paid for with highway funds. This year highway funds may not be available for this purpose as a result of legislation enacted by the General Assembly in 2000 that limits the use of highway funds.

This limitation is found in Section 226.200.3, RSMo. It places a cap on the highway funding available to state departments other than the Department of Transportation. The total amount of highway funds appropriated to these other state departments (including DOR) cannot exceed the total amount of their fiscal year 2001 highway appropriations. This cap limits the highway funds that will be available for the implementation of this legislation.

If highway funds are not available, then another source of funding must be identified to pay for the cost of implementing this legislation.

Officials with the **State Treasurer's Office (STO)** assume this proposal could require a sub-account to be set up in the state accounting system. Currently, sub-accounts are not feasible and STO cannot distribute interest below the fund level. To re-configure the interest distribution system to distribute at the sub-account level of a fund, STO could incur programming and consulting fees of approximately \$60,000.

The **Office of Homeland Security** assume an unknown fiscal impact on their office. **Oversight** assumes the office could have an increase in available funds due to the Anti-terrorism Fund; however, no additional cost or income other than those mentioned by DOR would be anticipated.

This proposal could increase total state revenue through plate fees.

EJ:LR:OD (12/02)

FISCAL IMPACT - State Government	FY 2004 (10 Mo.)	FY 2005	FY 2006
<b>GENERAL REVENUE</b>			
<u>Cost-State Treasure Office</u>			
Programming and Consulting	<u>(\$60,000)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(\$60,000)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>HIGHWAY FUND</b>			
<u>Income- Department of Revenue</u>			
Plate fees	<u>\$938</u>	<u>\$1,125</u>	<u>\$1,125</u>
<u>Cost- Department of Revenue</u>			
Salaries	<u>(\$4,221)</u>		
Equipment and Expense	<u>(\$2,422)</u>	<u>(\$500)</u>	<u>(\$500)</u>
Total <u>Cost-DOR</u>	<u>(\$6,643)</u>	<u>(\$500)</u>	<u>(\$500)</u>
<b>ESTIMATED NET EFFECT ON HIGHWAY FUND</b>	<b><u>(\$5,705)</u></b>	<b><u>\$625</u></b>	<b><u>\$625</u></b>
<b>ANTI-TERRORISM FUND</b>			
<u>Income-Department of Revenue</u>			
Plate Fee	<u>\$2,083</u>	<u>\$2,500</u>	<u>\$2,500</u>
<b>NET ESTIMATED NET EFFECT ON ANTI-TERRORISM FUND</b>	<b><u>\$2,083</u></b>	<b><u>\$2,500</u></b>	<b><u>\$2,500</u></b>

FISCAL IMPACT - Local Government	FY 2004 (10 Mo.)	FY 2005	FY 2006
Income-Cities			
Plate Fees	<u>\$188</u>	<u>\$225</u>	<u>\$225</u>
Income- Counties			
Plate Fees	<u>\$125</u>	<u>\$150</u>	<u>\$150</u>
<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>	<b><u>\$313</u></b>	<b><u>\$375</u></b>	<b><u>\$375</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

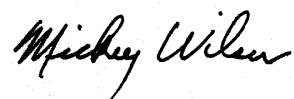
DESCRIPTION

This proposal would create a new special license plate, "FIGHT TERRORISM." and the \$25 contribution per application would be deposited into the "Antiterrorism Fund". The contribution would be made directly to the Missouri Office of Homeland Security or to the Director of Revenue.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space

SOURCES OF INFORMATION

Department of Revenue  
Office of Administration  
Department of Transportation  
Office of Homeland Security  
State Treasurer's Office



Mickey Wilson, CPA

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